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**Congress of the United States
House of Representatives**

January 12, 2006

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The President
The White House
Washington DC 20500

Dear Mr. President:

As the author of the legislation which established the National Gambling Impact Commission, I have long been concerned about the predatory nature of gambling and the corruption that is often associated with it. It seems as though every day in the news there is a new scandal related to gambling. Today, gambling is legal in almost every state in the union and more than 400 tribal casinos operate in over 30 states.

With the guilty plea of lobbyist Jack Abramoff and the information revealed about his ties to tribal casinos, it's time to call a halt to the explosion of tribal gambling. As I repeatedly asked of the Clinton administration and your administration, I renew today my request that by executive order you impose a moratorium on the opening of any more tribal casinos until Congress can thoroughly review the Indian Gaming Regulatory Act of 1988. The moratorium also should apply to the federal recognition process of tribes, which is completely broken.

While I firmly believe that your administration has the inherent authority necessary to impose a moratorium, if you believe legislation is needed, I urge you to quickly – within the next 30 days – send to Congress a legislative package to deal with this issue. Legislation is already pending in the House, however, that addresses comprehensive IGRA reform. With your call to action, Congress could take up this legislation early this year. The reforms laid out in Congressman Mike Rogers' bill, H.R. 2353, include: prohibiting tribes from "reservation shopping" or acquiring new land that is not contiguous to their existing reservation for the purposes of building a new casino; doubling funding for the National Indian Gaming Commission, requiring it to conduct all background investigations and expand background checks to the top 10 financial interests in any new Indian casino; requiring the approval of both the governor and the state legislature for new Indian casino compacts; directing the Department of the Interior to conduct economic impact studies to determine if new casinos would have a negative impact within a 50-square-mile radius, and requiring new tribes seeking to place land into trust or recognition to declare intent to build casinos on the land.

IGRA was intended to give Native Americans greater self-sufficiency, but sadly most have simply been used by greedy investors who offer to pay for litigation costs, lobbyist fees and in some cases, even the costs of land in exchange for a portion of the profits from this \$19 billion industry. The overwhelming majority of Native Americans still live in poverty. In fact, the per

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capita income of Native Americans is only \$8,000, one third of the national average. It seems unfathomable to me that there is not more support for transparency in tribal gambling to ensure that the benefits flow to those to whom they were promised.

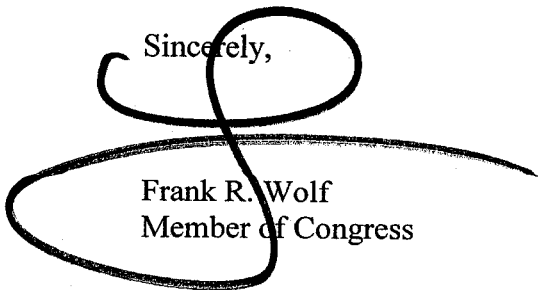
Tribal political contributions have skyrocketed in recent years from less than \$2,000 in 1999 to more than \$7 million in 2004. Tribal casinos are unregulated because they are operated by sovereign nations on sovereign lands, and this scenario seems ripe for even broader and more far reaching corruption than associated with Jack Abramoff today.

IGRA is also devastating for the hundreds of communities across America that are now home to tribal casinos. There have been countless stories of tribes that have taken large pieces of land into trust only to later "trade" this land for another piece of land in a more attractive location, often in a more urban or higher traffic area. Local communities can often be impacted twice – first by the erosion of their revenue base to which tribal businesses are generally exempt and second when faced with increased municipal costs for local law enforcement to respond to increased traffic and crime. These communities are generally powerless to stop new tribal casinos from establishing a casino once a tribe has been recognized and has land in trust. Reforms in the tribal recognition process and tribal gambling operations would empower communities and provide an opportunity for Congress to look at the unintended consequences of IGRA and address the gaping loopholes in the law.

While I don't know him personally, I call your attention to author Fergus M. Bordewich's commentary in the January 5 *Wall Street Journal* titled, "The Least Transparent Industry in America." He states that "without a clear, nationally agreed-upon idea of what tribal sovereignty is really supposed to be, we may one day find ourselves living in a land that has little in common with the goals of today's good intentions, and in which hundreds of 'tribes' of Americans are permanently distinguished from their fellow citizens mainly by the special rights that were bestowed on their Indian ancestors, and by privilege of operating unregulated gambling casinos."

IGRA is a law paved with good intentions gone awry. Your leadership and interest in seeing this issue dealt with expeditiously will be vital to prompting Congress to swift action. I implore you to involve your administration in this issue by establishing a moratorium and proposing or supporting a comprehensive reform package before it brings even more harm to Native Americans and every American alike.

Sincerely,



Frank R. Wolf
Member of Congress

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